

House Resolution 1737

By: Representatives Crawford of the 16th, Reece of the 11th, Porter of the 143rd, Thomas of the 100th, and McKillip of the 115th

A RESOLUTION

1 Creating the Georgia Tax Reform Commission; providing for access by the commission and
2 its staff to certain otherwise confidential Department of Revenue information; to provide for
3 an effective date; and for other purposes.

4 WHEREAS, the population and economy of the State of Georgia has undergone dynamic
5 growth during the last several decades, and current projections show continued growth
6 throughout the 21st Century; and

7 WHEREAS, changes in Georgia's economy have created the potential for a more diverse
8 revenue mix for the state and local governments; and

9 WHEREAS, the reliance on traditional tax revenue sources, when coupled with the rapid
10 increase in the demand for governmental services, has yielded a strained revenue structure
11 unable to respond to current and future fiscal needs in a balanced, equitable fashion and has
12 increasingly troubled and financially burdened the individual taxpayers of the state; and

13 WHEREAS, the various inequities and imperfections cannot be ignored, as the tax burden
14 on the citizens of our state rises; and

15 WHEREAS, the revenue structure of Georgia, like that of other states, has received only
16 sporadic, piecemeal revision over the years, and these changes too frequently have been
17 made in an isolated context without due regard for the overall tax system and the principle
18 of neutrality; and

19 WHEREAS, the last comprehensive review of the revenue structure of Georgia was made
20 by the Joint Study Commission on Revenue Structure created pursuant to Ga. L. 1993, p.
21 1965; and

WHEREAS, the ideal tax structure necessarily varies from state to state depending on the employment mix, the economic base, and the developmental patterns in the particular state, and each of these variables has changed significantly in Georgia in the absence of a current comprehensive and exhaustive review and study of the consequences and fairness of the resulting system; and

WHEREAS, the goal of designing a balanced tax system with the fewest inequities will enable decisions of individuals and businesses with respect to location, investment, and spending to proceed unclouded by or be minimally influenced by tax consequences.

NOW, THEREFORE, BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

There is created the Georgia Tax Reform Commission. The commission shall be composed of 17 members as follows:

- (1) The chairperson of the House Committee on Ways and Means shall serve as a member and cochairperson of the commission;
- (2) The chairperson of the Senate Finance Committee shall serve as a member and cochairperson of the commission;
- (3) Five members to be appointed by the Speaker of the House of Representatives at least two of whom shall be selected from a list provided by the minority leader of the House of Representatives and at least four of whom shall not be a member of the House of Representatives or the Senate;
- (4) Five members to be appointed by the President of the Senate at least two of whom shall be selected from a list provided by the minority leader of the Senate and at least four of whom shall not be a member of the House of Representatives or the Senate; and
- (5) Five members to be appointed by the Governor at least two of whom shall be selected from a list provided by the minority leader of the House of Representatives and the minority leader of the Senate and at least four of whom shall not be a member of the House of Representatives or the Senate.

SECTION 2.

The commission shall conduct a comprehensive and exhaustive study of the tax laws and tax policy of this state with a view toward modernizing and revitalizing the revenue structure so as to create an equitable and flexible tax system which properly balances the taxes based on fixed wealth, current expenditures, and current flow of income.

SECTION 3.

The commission shall meet upon the call of the cochairpersons.

SECTION 4.

The commission may request and, upon such request, shall be afforded the assistance and cooperation of the Department of Revenue, the Department of Law, the Carl Vinson Institute of Government, and each other agency or institution of the state.

SECTION 5.

The commission is encouraged to seek the active cooperation and assistance in its work of the Georgia Municipal Association, the Association County Commissioners of Georgia, the Business Council of Georgia, the Georgia Farm Bureau Federation, the Georgia League of Women Voters, Common Cause, the Georgia Forestry Commission, the Georgia Society of Certified Public Accountants, the Georgia School Boards Association, the Tax Section of the State Bar of Georgia, and other interested organizations and individuals, and the commission is expressly encouraged to take advantage of the expertise and experience in matters affecting taxation and tax policy which is available through institutions of higher learning in this state.

SECTION 6.

The commission may conduct such meetings at such places and at such times as it may deem necessary or convenient to enable it to exercise fully and effectively its powers, perform its duties, and accomplish the objectives and purposes of this resolution. The legislative members of the committee shall receive the allowances provided for in Code Section 28-1-8 of the Official Code of Georgia Annotated. Citizen members shall receive a daily expense allowance in the amount specified in subsection (b) of Code Section 45-7-21 of the Official Code of Georgia Annotated as well as the mileage or transportation allowance authorized for state employees. Members of the committee who are state officials, other than legislative members, and state employees shall receive no compensation for their services on the commission, but they shall be reimbursed for expenses incurred by them in the performance of their duties as members of the commission in the same manner as they are reimbursed for expenses in their capacities as state officials or employees. The funds necessary for the reimbursement of the expenses of state officials, other than legislative members, and state employees shall come from funds appropriated to or otherwise available to their respective departments. All other funds necessary to carry out the provisions of this resolution shall come from funds appropriated to the Senate and the House of Representatives. The expenses

88 and allowances authorized by this resolution shall not be received by any member of the
89 commission for more than ten days unless additional days are authorized.

90 **SECTION 7.**

91 (a) Employees or agents of the commission may inspect, duplicate, take information from,
92 and disseminate confidential materials, confidential documents, and other confidential
93 information within the custody of the Department of Revenue or the state revenue
94 commissioner but may do so only when acting in accordance with the following limitations:

95 (1) No employee or agent of the commission may have such access to confidential
96 materials, confidential documents, or other confidential information unless he or she is
97 acting within the reasonable limitations guaranteeing against unauthorized disclosure of
98 such materials, documents, and information as are agreed to in writing by the state
99 revenue commissioner and the cochairpersons of the commission;

100 (2) No employee or agent of the commission may have such access unless his or her
101 name is certified in writing to the state revenue commissioner by the cochairpersons of
102 the commission; and

103 (3) No confidential information or confidential document obtained by, or coming into
104 the possession of, an employee or agent of the commission as provided in this section
105 may be disseminated to any other person except an employee or agent of the commission
106 whose name has been certified to the state revenue commissioner as provided in
107 paragraph (2) of this subsection or to an authorized employee of the Department of
108 Revenue, except that the employee and the commission may publish statistical
109 information taken from such materials, documents, and other information when the
110 publication does not reveal the name or identity of any particular taxpayers. Any
111 unauthorized disclosure of such confidential materials, confidential documents, and other
112 confidential information except as provided in this paragraph shall subject the offending
113 employee or agent to the same penalties specified by law for unauthorized disclosure of
114 confidential information by an agent or employee of the Department of Revenue.

115 (b) The provisions of this section, to the extent of any conflict, shall supersede the
116 provisions of any other law to the contrary. The provisions of this section shall be
117 construed to authorize the disclosure of income tax information contained in any report or
118 return under Code Section 48-7-60.

119 **SECTION 8.**

120 The commission shall make a comprehensive report of its findings, recommendations, and
121 suggestions of proposed legislation to the General Assembly not later than December 15,
122 2010. The commission shall be abolished on January 15, 2011.

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SECTION 9.

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This resolution shall become effective upon its approval by the Governor or upon its

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becoming law without such approval. Appointments to the commission shall be made as

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provided in this resolution as soon as practicable after its approval or otherwise becoming

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a law.